

Westminster Health & Wellbeing Board

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Title:	Devolution to London: update for Board members
Report of:	Cllr Rachael Robathan, Chairman
Wards Involved:	All
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1. Executive Summary

- 1.1 This report provides an update on work being pursued by the City Council with partners in London, including, London Councils, CCGs, NHS England, Public Health England, London Enterprise Panel, borough groupings such as Central London Forward, and the Greater London Authority, to secure new devolved powers and freedoms for the capital across a number of policy themes.

2. Key Matters for the Board

2.1 The Board is asked to consider:

- The implications of the likely devolution of powers to London, and the changes in governance including the strengthening of sub-regional groupings of boroughs that this will entail, for the delivery of the Health and Wellbeing Board's priorities in partnership with others;
- The capacity of the Health and Wellbeing Board in its current structure to respond to the likely challenges and opportunities arising from devolution to London; and
- The ability of the Health and Wellbeing Board to maximise opportunities in policy areas with strong links to health, notably employment and complex dependency and the more effective use of public sector estates.

3. Devolution in London and Westminster City Council's involvement to date

- 3.1 As a clear 'outlier' amongst local authorities, with some unique challenges and opportunities arising from Westminster's geography, the City Council has been seeking greater local autonomy to set and implement policy for a number of years and in a number of different policy areas. The Coalition Government's agenda around devolution to cities and regions, which has been continued and escalated under the current Conservative Government, has over the last two years become the primary vehicle for the City Council in pursuing these ambitions.
- 3.2 The City Council was instrumental in the negotiation of a Growth Deal for London in 2014, which included a number of pilots and initiatives across areas such as employment, skills and business support. One of the most prominent was the sign-off in principle of a pilot in central London to pioneer an improved approach to supporting long-term unemployed Londoners with health conditions back into work. The project, 'Working Capital', has now commenced delivery and will work with several hundred eligible Westminster residents over the next few years.
- 3.3 The pre-General Election period saw an escalation of the Government's devolution agenda, most notably through two ground-breaking 'deals' with the Greater Manchester Combined Authority: the first offering a range of powers and funding across employment, skills, business support, planning and housing in exchange for the city-region agreeing to bring in an elected Mayor;' the second giving the city-region control over £6bn of health and social care spending to speed up integration of different services. In London, the Chancellor of the Exchequer and the Mayor of London announced a 'long-term economic plan for London' in February 2015 which included a number of new initiatives relevant to this agenda, including an indication that adult skills commissioning responsibilities would be devolved in some form to London and the establishment of a London Land Commission to identify and make better use of surplus public sector brownfield land in the capital.
- 3.4 Following the General Election, the Government extended its offer to localities to put forward 'deal' proposals to Government that would boost growth and support public service reform, and included a Cities and Local Government Devolution Bill in its Queen's Speech to underpin further deals. With Cornwall already having struck a deal with Government, 38 further deal proposals were received by Government by its initial deadline in early September, including a set of propositions from London.

4. London's 'asks'

- 4.1 The London Proposition sets out asks and offers from London in six key areas:

- **Employment and complex dependency:** commitment from the Department for Work and Pensions and other departments to pool resources to support long-term unemployed people into work, through 'hub' based service delivery and a co-designed, intensive programme for the hardest to help. This would be backed by an 'invest to save' financing model that allowed London to retain some of the savings from reducing benefit expenditure to reinvest in local programmes
- **Skills:** commitment to devolve the adult skills budget (19+) and allow London to improve the match between skills provision and current and future industry needs through setting incentives, agreeing outcome frameworks with colleges and improving labour market intelligence
- **Enterprise support:** commitment to devolve various national budgets and programmes, such as UK Trade and Industry budgets and the national Growth Accelerator programme, to the London level to give businesses and entrepreneurs a 'one stop shop' for advice and support
- **Health and care:** commitment to back one or more health and social care integration pilots in areas within London, building on existing local work such as the Better Care Fund
- **Crime and justice:** commitment to devolve budgets in specific areas (e.g. preventing extremism) and provide for better integration between different emergency services to save money and improve performance
- **Housing:** commitment to allow London to trial a number of measures to boost house building, including greater local flexibility on raising and spending funding and in setting planning fees

5. Health devolution

- 5.1 London Councils and the Mayor of London submitted a Devolution and Public Service Reform proposition to central government on 4 September, which included a broad model of reform for health and care. The model included a range of 'asks' (set out in appendix A) aimed at enabling rapid improvements in the health of Londoners through integration across health and care to increase prevention and early intervention and faster redesign of health and care services and facilities driving better care quality and access, reduced pressure on A&E and fewer hospital admissions.
- 5.2 The London Proposition proposed at three levels – local; sub regional and pan-London, underpinned by asks of national government and bodies. This multi-

spatial approach allows for maximum flexibility and subsidiarity at the most effective levels recognising the local complexities of existing arrangements. Westminster currently works across at least 6 separate, but layered, geographies within health and social care. Some of these geographies have developed organically, while some have been developed specifically because of a shared need or a joint-priority. It is important that the arrangements which are developed are flexible enough to allow commissioning and joint-working across a variety of footprints.

- 5.3 In order to secure agreement for the proposals around health and care the London government, in partnership with NHS organisations, will be pursuing a supportive Comprehensive Spending Review outcome; establish pilots and develop an Agreement for further joint work.

Pilots

- 5.4 To build a case to secure agreement on specific devolution asks (e.g. new powers and flexibilities, funding, etc.) devolution pilots in health were proposed. The pilots are expected to develop models which will test and prove the case for the 'asks' and use the opportunity to identify further asks or areas of blockages. Pilots were invited for the following areas:

- whole system sub-regional transformation – sub-regional partnership working will be integral to progressing the devolution agenda but there are no robust examples yet operating in London. A pilot in this area should aim to build a sustainable and cohesive health and care system over the lifetime of the current pilot;
- local integration – a pilot in this category will design and deliver a fully integrated health and care system at borough level building on the Better Care Fund approach to pooling funding and developing integrated commissioning;
- estates - securing sufficient and appropriate estate to deliver health and care and releasing the potential in current NHS estate in London should be a focus of a pilot in this category. There will be some 'asks' that are better suited at a pan-London level;
- prevention - this category is not defined reflecting the fact that there were no specific public health asks. A prevention pilot could seek to test how devolved powers and functions could help accelerate progress on making the shift to prevention and early intervention, which is central to the London proposition.

- 5.5 London Councils have confirmed there have been expressions of interest for piloting each of the four areas. A formal announcement of the pilots is expected in late November.
- 5.6 *An Agreement for London* – the Agreement is integral for a positive CSR outcome is intended as a vehicle driving the case for London devolution. The Agreement will be the first public statement of London’s devolution approach and establish clear objectives and principles for joint work between London and national government and bodies. The Agreement will also be a tool for securing NHS partner support and resources from national bodies to support developmental work, which need to be matched by partnerships. A strand of work around the development of the London business case summarising the learning from the pilots and other work to prove the case for full devolution for London will also be set out in the Agreement.

6. Governance

- 6.1 A key question for London to answer has been how any devolved settlement would be governed. A consensus has been developed through dialogue between partners, principally London Councils and the GLA that structures based on the London Councils Congress, which brings together the Mayor of London and a representative grouping of London borough Leaders, should be the principal vehicle for pan-London decision-making. Beneath this, it is felt likely that sub-regional groupings such as Central London Forward will need to play a larger and more formal role.
- 6.2 These questions are currently being further explored in parallel with the passage of the Cities and Local Government Devolution Bill, which has passed through the House of Lords and entered the House of Commons in autumn 2015. This provides a legislative underpinning for the devolution ‘deals’ that Government is negotiating with cities, most obviously in allowing places such as Greater Manchester and the Sheffield City Region to implement city-region-wide elected Mayors.

7. Likely next steps

- 7.1 Announcements in a number of these areas are expected in the coming weeks and months, with key milestones centring on the 2015 Spending Review and the 2016 London Mayoral election.

- 7.2 Sub-regional working across the footprint of borough groupings such as Central London Forward and the West London Alliance is likely to become a more prominent feature of 'business as usual' service delivery for London boroughs, particularly in areas such as employment and skills. Given the links between these policy areas and health, and the lack of co-terminus administrative geographies operating across CCG clusters and local authority clusters, the Board may wish to give consideration to how it should best approach these likely shifts in London governance.
- 7.3 Significant thought is being given at both local and national levels to how a more intensive, integrated and locally-determined model of employment support for groups with health conditions can be deployed, particularly with the contracts for the current Work Programme coming to an end in 2017 and the Spending Review likely to place further pressure on DWP budgets. In this context the Board may wish to give consideration to how the various initiatives on employment and health being pursued by member organisations can be better aligned in order to maximise impact and ensure an agile response to national policy changes.

8. Legal Implications

There are no specific legal implications for the Board to be aware of.

9. Financial Implications

There are no specific financial implications for the Board to be aware of.

**If you have any queries about this Report or wish to inspect any of the
Background Papers please contact:
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Appendix A – London Proposition: health and care

The proposals for health and care devolution were set out at three levels¹:

Local

- Joint prevention and integration plans to secure increased prevention, early intervention, personalisation and integrated out of hospital services, overseen by Health & Wellbeing Boards and aligned with sub-regional strategic plans
- Full pooling and joint commissioning of NHS, social care and public health budgets through s75 agreements
- local public asset plans and scheme development to secure facilities to deliver accessible, multi-purpose, integrated out-of-hospital services in line with prevention and integration plans

Sub-regional

- Strategic partnerships established to develop plans for transformation to sustainable future models of care across local health economies, with which local out of hospital plans are aligned
- Joint commissioning to secure delivery of sub-regional plans transformation funding devolved through London level for use by sub-regional partnerships subject to robustness of governance, transformation plans and delivery mechanisms
- approval of sub-regional partnership required for NHS providers to access 'cash support'
- sub-regional estate plans and scheme development to unlock redevelopment of under-used NHS estate, aligned with local public asset planning

Pan-London

- London strategic partnership board with oversight of devolved working at all levels
- a London 'cash support' regime for NHS providers facing deficits, operated to support delivery of sub-regional transformation plans
- London level partnership accountable for strategic city-wide estate planning, approval of local and sub-regional development cases and funding allocations, supporting London Land Commission actions to improve utilisation of public sector assets
- Develop regulatory and fiscal city-level public health interventions

¹ London Councils

To enable London partners to operate together in this way, key devolution asks of government and the national NHS will include:

- multi-year allocations of NHS and local authority funding on a borough footprint
- London's share of all national NHS transformation funding devolved to London, for allocation to sub-regional or local levels subject to robust governance and transformation plans
- NHS capital budget, nationally held assets and decision-making powers for capital and asset management devolved to London
- NHS budget for and decision-making over 'cash support' for NHS providers facing deficits and power to amend tariff devolved to London
- public health powers e.g. power for the Mayor to raise the minimum age for buying tobacco
- agreement to streamlining national programmes and devolving NHS England decision-making and powers to the regional level as much as possible